

APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER
OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF
NEVADA HERETOFORE APPROPRIATED

Date of filing in State Engineer's Office NOV 08 2001

Returned to applicant for correction _____

Corrected application filed _____

Map filed OCT 01 1998 under 64442

The applicant **PINSON MINING COMPANY** hereby make application for permission to change the **Manner of Use and Place of Use** of water heretofore appropriated under **Permit No. 64442**

1. The source of water is **Granite Creek**
2. The amount of water to be changed **1.40 cfs (630 gpm)**
3. The water to be used for **Erosion Control – See Remarks**
4. The water heretofore permitted for **Mining and Milling**
5. The water is to be diverted at the following point **the SW¼ SE¼ of Section 29, T38N, R42E, MDM. or at a point which bears N 87° 15' W, a distance of 1920.0 feet, from the SW corner of Section 28, T38N, R42E, MDM.**
6. The existing permitted point of diversion is located within **the SW¼ SE¼ of Section 29, T38N, R42E, MDM, at a point which bears N 87° 15' W, a distance of 1920.0 feet, from the SW Corner of Section 28, T38N, R42E, MDM. Supporting map filed under Permit No. 4802 (Cert. No. 1621).**
7. Proposed place of use **being portions of the SW¼ of Section 28; the SW¼ and the SE¼ of Section 29; the NW¼ and the NE¼ of Section 32; and the NW¼ of Section 33, all within T38N, R42E, MDM. Supporting map filed this application.**
8. Existing place of use **A portion of the N½ of Section 5, NW¼ NW¼ of Section 4, T37N, R42E, MDM; All of Section 27, All of Section 28, the SE¼ of Section 29, All of Section 32, All of Section 33, a Portion of the N½ N½ of Section 34, and a portion of the NW¼ NW¼ of Section 35, T38N, R42E, MDM. Supporting map filed under Permit No. 64442.**
9. Use will be from **January 1 to December 31** of each year.
10. Use was permitted from **January 1 to December 31** of each year.
11. Description of proposed works **See Remarks**
12. Estimated cost of works **\$300,000.00**
13. Estimated time required to construct works **Two (2) years**
14. Estimated time required to complete the application of water to beneficial use **Ten (10) years**

15. Remarks: Refer to the report prepared by Water Management Consultants titled "Realignment of Granite Creek into the A Pit", filed with this Application. This report describes the proposed erosion control and details the proposed works.

s/Suzan L. Allsopp
By Suzan Allsopp - Agent
Summit Engineering Corp.
5405 Mae Anne Ave.
Reno, NV 89523

Compared my/ cmf 1b

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the place of use and manner of use of the waters of Granite Creek as heretofore granted under Permit 64442 is issued subject to the terms and conditions imposed in said Permit 64442 and with the understanding that no other rights on the source will be affected by the change proposed herein. A measuring device must be installed and measurements of water use kept.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

The total combined duty of water under Permits 68182 and 68183 shall not exceed 1033 acre-feet annually.

Monthly records shall be kept of the amount of water diverted from this source and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

The quarterly report shall include the monthly measurements of water diverted for erosion control purposes.

(CONTINUED ON PAGE 3)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 1.4 cubic feet per second, **but not to exceed 508 acre-feet annually.**

Work must be prosecuted with reasonable diligence and be completed on or before:

July 2, 2004

Proof of completion of work shall be filed before:

August 2, 2004

Water must be placed to beneficial use on or before:

July 2, 2007

Proof of the application of water to beneficial use shall be filed on or before:

August 2, 2007

Map in support of proof of beneficial use shall be filed on or before:

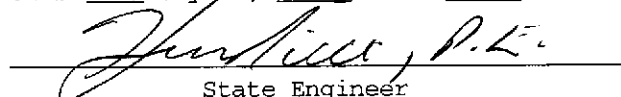
N/A

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

State Engineer of Nevada, have hereunto set

my hand and the seal of my office,

this **2nd** day of, **July** A.D. **2002**


State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed **N/A** _____

Certificate No. _____ Issued _____